

WASHINGTON, DC - Rep. Peter Welch supported and the House passed a bill Wednesday that would aid the struggling U.S. auto industry and force it to become viable, sustainable and environmentally forward-thinking. The roll call vote was 237-170.

The bill, H.R. 7321, provides \$14 billion in short-term loans to auto makers while ensuring strict accountability to taxpayers, enhanced environmental standards and a commitment to saving jobs. "We are in extraordinary circumstances and we face a monumental question: Do we stand idly by as Detroit collapses and takes millions of jobs and billions in tax revenue with it? Or do we work to find a solution that could save those jobs and protect the American taxpayer?" Rep. Welch said. "There is no guarantee this lifeline will ultimately save the auto industry, but we can't afford not to try."

Nearly one in ten American jobs is linked to the American auto industry, and a collapse of one of the Big Three manufacturers would have ripple effects throughout the country and throughout Vermont. The non-profit Center for Automotive Research estimates that an industry-wide collapse could wipe out 2.5 million jobs and cost taxpayers \$108 billion over the next three years.

"Inaction would have dramatic and substantial consequences for the Vermont economy - from auto dealers to parts manufacturers to Vermont taxpayers. These are consequences we cannot afford," Welch said. "With this bill, all parties are making extraordinary sacrifices - from labor to shareholders to taxpayers."

The bill would ensure strict oversight of the auto manufacturers with the creation of "Car Czar" who could veto any expenditures in excess of \$100 million and who could call in the loans in two months if the companies fail to make progress developing a sustainable restructuring plan. Further, it would eliminate bonuses for top executives, bar shareholders from earning dividends and force the Big Three to sell their corporate jets.

"When automakers flew to Washington weeks ago, they had the totally unrealistic expectation that Congress would write them a blank check and let them get back to business as usual," Welch said. "With this bill, we have created the accountability Americans deserve, and we have ensured that the auto industry will finally take the steps they need to enter the 21st century."